



Kentucky Personnel Cabinet
501 High Street
Frankfort, KY



IC Memorandum 12-18

TO: KEHP/KGLI Insurance Coordinators and Billing Liaisons

FROM: Kentucky Employees' Health Plan; Kentucky Group Life Insurance

SUBJECT: Updates - Benefits Accounting User Guide 4-2012

DATE: April 18, 2012

The Benefits Accounting User Guide has been updated; the guide is located at <http://www.personnel.ky.gov/NR/rdonlyres/FD40B505-9277-42D3-A028-0FC8FCBA91F3/0/April2012BenefitsAccountingUserGuide.pdf>.

Below is a list of change summaries included in the Benefits Accounting User Guide:

1. Customizing Bill View (School Boards) on Page 26

Page 27 - Ensure that **Insurance Object** is moved to **Displayed Items** so it can be used to help identify which Products have credits.

- You may need to change the order of displayed columns so that insurance object can be easily seen.

Page 38 - Finding Credits on Broker Bills – Payment from Agency

Payments from Agency entries are either credits or arrears. For more information, see "What is Payment from Agency on my broker bill?" on page 75 and "Credits and Arrears" on page 131.

2. Customizing Bill View (Quasi Agencies/Health Depts) on Page 42

Page 45 - There are multiple ways that Quasi agencies and Health Departments can sort their bills. Several examples are included on the following pages.

- **Sorting by Description, Filtering by Text/Plan Information** begins on page 46.
- **Sorting by Text/Plan Information** begins on page 54.
- **Sorting by Description** begins on page 56.
- **Filter with Multiple Selections** begins on page 58.
- **Filter to see only Life items** begin on page 66.

3. Working-Processing Broker Bills on Page 72

Page 72 - Remember that billing is driven by enrollment and past broker bill entries.

- When changes such as QEs, termination of employment, reinstatements or corrections are made in Benefits Administration, i.e. enrollment information, changes may occur on broker bills.
- Errors in enrollment will cause errors on broker bills.
 - Incorrect dates in enrollment will cause employees to be listed incorrectly on broker bills.
 - Processing plans “out of sequence” will cause employees to be listed incorrectly on broker bills.
- Incorrect entries on prior broker bills will cause inaccurate credits or arrears.

Page 75 - *What is Payment from Agency on my broker bill?*

Payments from Agency on your broker bills are one of two things:

1. **Credits** for overpayments KHRIS thinks an employee has made.
 - Credits will be shown as negative amounts, such as -30.76, -192.40
2. **Arrears** caused by taking credits that KHRIS thinks were not actual overpayments and no refund was due.
 - Arrears of this type will be positive amounts, such as 36.54, 96.20, not negative amounts

Page 76 - Credits

KHRIS is programmed to handle credits differently than the legacy system did. KHRIS automatically applies any credit amount to the next month’s premium. In KHRIS speak this is known as “clearing” the credit.

When KHRIS uses an employee’s overpayment to clear their next bill, if there is a balance left, that amount will be listed on the broker bill as a Payment from Agency, or credit.

Page 78 - Arrears

Taking a credit for employees who KHRIS thinks did not overpay will cause arrears to show on broker bills. This can happen for different reasons, but may be caused by QEs.

For more information see “Credits and Arrears” on Page 131

Page 80 - There was an issue in 2011 that led to some payroll results not feeding into the bill generating system. This caused a number of individuals to be billed incorrectly or left off broker bills. This defect has been corrected. The correction will fix some of these issues, but not all.

Page 109 - Biller Direct Change Effective March 9, 2012, there will no longer be multiple Product lines in Biller Direct for clarification items. After all clarification cases have been resolved, all items for a particular product will be totaled in a single line.

5. Biller Direct Explanation on Page 111

Page 111 - When the clarification is resolved the amount goes into biller direct as part of the line item for that Product. When all clarifications are resolved the bill status will change to Posted.

- Once the bill status shows **Posted** you may proceed to **Biller Direct**.

Page 113 - Open Bills is a list of payments that have been released from the broker bill and are ready to be paid in Biller Direct.

- Items that have been processed through bill clarification will show as part of the lump sum line for that particular Product in Biller Direct.

6. Paying Bills in Biller Direct on Page 123

Page 129 - IMPORTANT: If you attempt to pay your bill by ePAY and receive this error, CALL YOUR FMB CONTACT IMMEDIATELY or call FMB main line at 502-564-9097.



Page 130 - To pay by Personal Check and ePAY:

Pay the personal check(s) FIRST.

To make a partial payment by personal check

1. Determine the **total amount** to be paid by personal check
2. **Change the amount** of the correct Product to reflect the amount of the personal check(s).
3. Process as you would when paying by check. See “To pay by check or wire” on page 123.
4. Remember to print invoice and mail with your personal checks.
5. Return to Biller Direct and pay the remainder by ePAY. See “To Pay by ePAY” on page 129.

Page 142 - Example of old arrearages listed on a broker bill:

An employee had a QE effective 3/8/11 that changed their coverage from Single to Parent Plus. The agency deducted Single premium from the employee’s pay in March and sent that amount to FMB.

- See page 142-148 for full explanation of old arrearages on a broker bill.

7. Plan Description Appears In Error on Broker Bill on Page 150

Page 150 This problem has been corrected. All plan descriptions and rates on broker bills should match employee’s coverage.

8. How do know when KHRIS has Down Time on Page 153

Page 153 - The NCP KHRIS Operations Calendar lists all important events related to KHRIS, down times, payroll runs, bill generation dates, etc. The calendar can be accessed through the following link:

http://personnel.ky.gov/NR/rdonlyres/7C5D9E06-569B-4482-82C4-E4CEB585D227/0/2012KHRISCalendar_NCP.pdf

9. Newborn Billing on Page 162

Page 162 - Pursuant to KRS 304.17A-139, when a newborn is added to KEHP, no additional premiums can be charged for the newborn for the first 31 days. Newborns must be enrolled within 60 days from the date of birth; however, if Tag-Alongs are being enrolled with the newborn, the newborn and the Tag-Alongs must be enrolled within 35 days from the birth and additional premiums can be charged.

- See page 162-163 for detailed information.

10. FSA/MUNIS Deduction Amount Issue on Page 171

Page 171 - This section includes instructions for processing FSA deductions for employees whose annual election amount is not evenly divisible (to the exact cent) by 12 or 24. In most school districts, this issue applies to only a small number of employees.

11. KHRIS Agency Codes on Page 202

KHRIS Agency Codes were updated to include new QUASI agencies.

12. Pay Your Bill by Personal Check and ePAY on Page 243

Page 243 - To pay by Personal Check and ePAY:

Pay the personal check(s) FIRST.

To make a partial payment by personal check

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2. **Change the amount** of the correct Product to reflect the amount of the personal check(s).
3. Process as you would when paying by check. See instructions beginning on page 123.
4. Remember to print invoice and mail with your personal checks
5. Return to Biller Direct and pay the remainder by ePAY. See instructions beginning on page 129.